

Q1

Interim Report
1 January – 31 March 2024

The quarter: 1 January – 31 March 2024

- The loss for the period was SEK –40.1m (–187.4) corresponding to SEK –0.24 (–1.14) per share.
- Income from property management increased by 17% to SEK 54.6m (46.6) excluding the share of profit from jointly controlled entities in Q1 2023
- Rental income amounted to SEK 135.9m (142.5).
- Net operating income (NOI) was SEK 93.8m (94.8).
- Unrealised changes in the value of properties amounted to SEK –52.8m (–268.6).
- Ownership of two senior living facilities in Tyresö was transferred to Heba in March.
- A new green and sustainability-linked financing framework was published.
- Credit rating upgraded to BBB with Stable Outlook.
- Heba completed the renovation of the Rådsbacken 12 property in Huddinge during the quarter. Only 98 apartments remain to be renovated, after which the entire holding will have been upgraded to modern standards.

Contact person:
Patrik Emanuelsson, CEO
+46 (0) 8-5225 47 50
patrik.emmanuelsson@hebafast.se

Key figures

| | 2024 Jan–Mar | 2023 Jan–Mar | 2023/2024 Apr–Mar | 2023 Jan–Dec |
|--|-----------------|-----------------|----------------------|-----------------|
| Property-related key figures | | | | |
| Rental income, SEKm | 135.9 | 142.5 | 559.0 | 565.7 |
| Lettable time-weighted area, 000s m ² | 258.2 | 301.7 | 285.3 | 284.6 |
| Property yield, % | 2.9 | 2.5 | 3.1 | 3.2 |
| Carrying amount per m ² , SEK | 50,601 | 51,279 | 49,956 | 50,068 |
| Financial key figures | | | | |
| Cash flow, SEKm | 39.8 | 80.3 | 194.6 | 235.4 |
| Investments, SEKm | 367.0 | 86.3 | 611.8 | 331.2 |
| Average interest rate, % | 2.52 | 2.46 | 2.52 | 2.21 |
| Property management margin, % | 40.2 | 51.7 | 45.0 | 47.9 |
| Loan-to-value (LTV) ratio, % | 44.1 | 48.0 | 44.1 | 44.1 |
| Net LTV, % | 43.8 | 47.8 | 43.8 | 43.1 |
| NOI margin, % | 69.1 | 66.5 | 71.8 | 71.1 |
| Per share data | | | | |
| Loss before tax, SEK | –0.20 | –1.38 | –5.14 | –6.32 |
| Loss after tax, SEK | –0.24 | –1.14 | –3.42 | –4.31 |
| Dividend, SEK ¹⁾ | 0.52 | 0.45 | 0.45 | 0.52 |
| Share price at 31 March, SEK | 34.70 | 28.50 | 34.70 | 35.45 |
| NAV, SEK | 46.13 | 51.55 | 46.13 | 46.42 |

¹⁾ Dividend stated as proposed to the 2024 AGM.

Heba strengthens income from property management

Over a long, cold winter with no change in interest rates, Heba generated stronger income from property management of SEK 54.6m (46.6) for the first quarter of 2024. That is an increase by 17% compared to the same period last year, excluding profit from the jointly controlled entities we then had. Heba continues to deliver according to plan.

Heba maintained its brisk pace in Q1 and continues to deliver according to plan. We do what we say, and I am proud to say what we do.

- Residential rents were raised by 5.1% on average as of 1 January.
- Heba acquired two senior living facilities in Tyresö.
- We sold two properties within our joint venture with Åke Sundvall to Svenska Bostäder.
- We published a new green and sustainability-linked financing framework that received top marks from an independent review organisation.
- Heba's credit rating was upgraded to BBB with Stable Outlook.
- The environmental management system was recertified with zero non-conformances and no recommendations for improvement.
- We launched the new Heba website.

State of the market and property valuations

The market is obviously still awaiting recovery and stabilisation. The Swedish stock market is directly affected by the smallest movements, particularly in the US. Although we are receiving clear signals that inflation is heading down and that a rate cut could occur before summer, the Riksbank has not yet lowered the policy rate. The corporate bonds and commercial paper market has begun to recover and we could moving towards a situation in which bonds are interesting again.

Prices for commonhold apartments have begun trending upwards, although thus far the transaction market remains hesitant. It is still difficult to determine property values due to the lack of deal data. Again this quarter, there was a minor decrease of 0.4% in the value of our properties. One interesting reflection regarding property valuations in the last two years is that the normally critical location factor has had no impact on property valuations. This means that our properties, which enjoy prime locations in Stockholm, have been adjusted downwards as much – or even

more than – properties in the rest of the country. Consequently, the conditions for a recovery when the market turns around are good, and the recovery will most likely begin this year. One unmistakable sign that Heba owns attractive properties is that we, unlike many others, were able to sell properties at good prices last year. We closed an agreement with Svenska Bostäder in Q1 2024 regarding 300 apartments in Värberg. The sale was executed within our JV with Åke Sundvall.

Buying and selling in the same market is increasing the share of public buildings

Increasing the share of public buildings has been a target for Heba for several years. When the market was red-hot, demand and thus prices for public buildings were very high. In the current state of the market, there have been opportunities to acquire senior living and care facilities at favourable price levels. Accordingly, Heba decided during the quarter to acquire two senior living facilities from Hemsö. The acquisition could be executed at a significant discount compared to when the market was at its peak. With this acquisition, we have now exceeded our target for the share of NOI from public buildings above 20%. It is now above 25%. In so doing, we are creating an excellent complement to our residential assets and strengthening our property yield. In addition, leases for public buildings are long-term and rents are indexed.

Proof of continuous improvement

We continued to see the results of our efforts with continuous improvement in Q1. In one clear example, certification of our environmental management system was renewed after the system was audited with zero non-conformances or recommendations for improvement. The green financing framework has been updated with a sustainability-linked component. In the new framework, we have aimed higher than any other property company by setting specifications against the toughest requirements in the EU Taxonomy and the Green Bond

Standard, for example. The independent review performed by Morningstar Sustainalytics concluded that the framework will lead to positive environmental change and the organisation assessed Heba's key figures as "Very Strong" and its ESG targets as "Highly Ambitious".

Last year's fruitful efforts to strengthen the company's financial position are another fine illustration. In connection with the annual review, NCR adjusted our credit rating to BBB Stable Outlook.

Record-low energy use – yet again

The effort to constantly improve our energy efficiency is also progressing. Even though our energy use was already very low, we can demonstrate this quarter that we are getting even better: the new record-low is 80 kWh/m².

New website reflects the company

We have now wrapped up the comprehensive brand project, which took about three years, by launching a new website. Stylish and contemporary, the new website effectively communicates what Heba is today and where Heba is heading. You are invited to visit ir.hebafast.se

Peak condition bodes well

The company is in great shape. Our portfolio is modern. Virtually all properties are new or recently renovated. We have an outstanding project portfolio of properties in good locations in Stockholm. It is highly likely that we will begin building a couple of these projects this year. Looking at our key figures compared to those of our competitors, we are outstripping them in most areas.

And thus both human capital and structural capital are at peak performance.

Patrik Emanuelsson
CEO Heba Fastighets AB

Financial targets

Heba's annual financial targets, 2024–2025:

- Income from property management above SEK 200m excluding income from commonhold apartments.
- LTV ratio below 50%.
- NOI margin above 70%.
- Increase the share of consolidated NOI generated by public buildings during the period.
- Annual dividend of at least 40% of income from property management, adjusted for tax.

“We say what we do and do what we say”

Heba Fastighets AB

Our core business is to own, manage and develop residential rental properties and public buildings in the Stockholm-Mälaren Region.

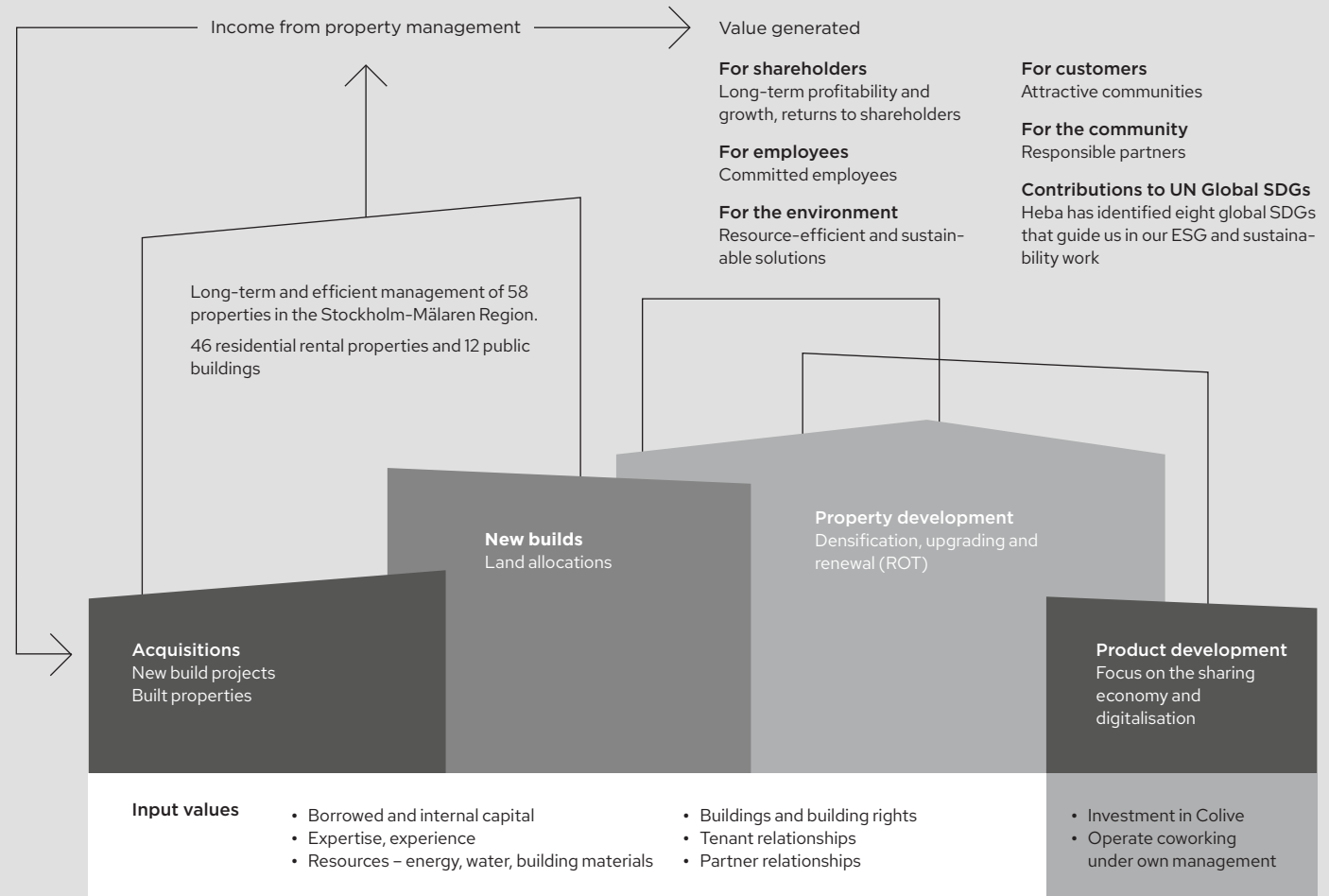
Our vision

We shall be the best in Sweden at creating secure and attractive homes and communities.

Our business concept

Heba is a long-term and experienced property owner that develops, owns and manages residential properties and public buildings in the Stockholm-Mälaren Region. On the strength of our expertise and commitment, we offer safe, secure and sustainable homes for people throughout various phases of their lives. We create value for shareholders and society through satisfied tenants, safer and more attractive communities and trustful partnerships.

Our value-creating business model



Heba is the long-term choice

The Heba investment case

Heba is on the forefront of the responsible business movement. Sustainability is embedded throughout our organisation and ESG is a critical aspect of every decision.

Stable growth through acquisitions and the role of builder

Backed by the company's strong financial position and efficient organisation, our acquisitions generate operational revenues. Moving forward, we are eager to assume the role of builder of properties intended for sale or ownership.

Strong financial position

Low average interest, carefully balanced financing and strong key figures combined with efficient property management will generate dividends when property values rise again.

Efficient organisation

We act with professional pride in everything we do and we aim to do things in an exemplary manner. Our strong financial position, satisfied tenants, framework for green and sustainable financing, energy conservation and optimal action in both upturns and downturns while maintaining earnings capacity.

Stable dividend producer

Our strong financial position means that we can prioritise dividends to our shareholders, who make an essential contribution to running our business.

Secure segment

There is huge demand for residential rentals and public buildings. Public buildings that include nursing homes and other senior living facilities are let under long-term contracts that are updated according to index.

Attractive properties in an attractive market

Our modern properties enjoy central locations in the Stockholm-Mälaren Region.



A long-term and sustainable corporate citizen

Sustainability is reflected in everything Heba does, today and in the future, proceeding from our responsibility as an employer, our social responsibility and our environmental responsibility. The ESG programme is meant to ensure that the company meets its long-term ESG objectives in alignment with the UN Global Sustainable Development Goals (SDGs). Future-proofing the business is intertwined with successful enterprise.

Our three focus areas

1 Our organisation

Our employees are our most important resource. Making sure that each and every one of our employees can thrive and develop ensures long-term sustainability. Heba is working actively to be an equal and inclusive workplace that creates the conditions for a sustainable, customer-oriented company. Our working environment shall be safe and secure from the physical, psychological and social perspectives. Heba takes a proactive approach to avoiding occupational accidents and illness and preventing risks.

2 Our role in society

The foundation of our role in society is running Heba's business in an ethically, socially and environmentally responsible manner. We offer an opportunity for a safe, secure and suitable home to people of all ages and with a variety of needs for social care and service. We are also committed to social initiatives through partnering with and donating to organisations that help and support vulnerable groups.

3 Our environment

Heba's long-term sustainability target is for property management to be climate-neutral by 2030 and the entire organisation to be climate-neutral by 2045. Heba supports the 1.5 degree target of the Paris Agreement. Limiting the indirect emissions of our business is the most important component for attaining that goal. It is also important to prepare the organisation for various scenarios caused by climate impact.

Overall ESG targets

Our targets are:

- Heba shall be committed to an active sustainability programme that is reflected in everything the company does. In the day-to-day work as well as the company's long-term approach to property development and management. Property management shall be climate-neutral by 2030 and all operations by 2045.
- Heba shall have satisfied tenants with a service index on par with or above the median value for privately owned housing companies in large cities.
- Heba shall be perceived as an attractive employer that encourages skills development and cooperation among its employees.

Interim Report 1 January–31 March 2024

Revenue and profit

Rental income decreased to SEK 135.9m (142.5) due to the property sales closed in 2023. Property costs amounted to SEK 42m (47.7). Income from property management decreased by 25.9% to SEK 54.6m (73.7), due to lower rental income during the period and a loss of SEK -0.5m (profit: 27.1m) from investments in jointly controlled entities, where commonhold apartment projects were exited in Q1 2023. Unrealised changes in the value of investment properties and interest rate derivatives amounted to SEK -38.0 million (-301.5). The loss before tax was SEK -32.5m (-227.8) corresponding to SEK -0.20 per share (-1.38). The loss after tax was SEK -40.1m (-187.4) or SEK -0.24 per share (-1.14).



Opalen 2, Täby

Property holdings and market

The Heba Group's property holdings at the end of the Q1 2024 interim reporting period (Q1 2023 in brackets)

Properties in the Stockholm-Mälardalen Region

58 (75)

Residential properties

45 (63)

Public buildings

12 (10)

Project properties:

1 (2)

Lettable space

258,200 (303,300)

Number of residential units

3,148 (3,971)

Number of non-residential units

339 (422)

The vacancy rate for residential and non-residential units remains very low at 0.03% for residential and 0.42% for non-residential at the end of the reporting period.



Källberga Nynäshamn

Investments and disposals

Care homes in Tyresö

Heba signed an agreement with Hemsö Fastighets AB in February 2024 to acquire two senior living facilities in Tyresö, Stockholm. The facilities comprise 115 apartments. Ownership was transferred in March 2024 when Heba acquired all shares in the company. The agreed property value was SEK 347m. Costs incurred in Q1 2024 amount to SEK 335.6m in consideration of the received tax rebate. The investment is estimated at about SEK 336m.

Källberga Nynäshamn

Heba closed an agreement in October 2021 with a company controlled by MAMA Management AB to acquire rental apartments in Källberga Nynäshamn. The deal was executed as a forward funding transaction in which Heba acquired the shares in the company, which entered into a turnkey contract. The

properties comprise 123 rental apartments. Ownership was transferred in November 2022. Procurement of contractors is in progress. Construction start is planned in 2024, with completion in 2026. Costs incurred amount to SEK 70.9m, including 0.5m in Q1 2024. The investment is estimated at about SEK 373m.

Other investments

Other new investments amount to SEK 7.5m (8.3).

SEK 23.4m (58.8) was invested in value-add measures in other properties during the period.

The total investment in investment properties in Q1 2024 was SEK 367.0m (85.8).

SEK –01m (0.5) was invested in other non-current assets during the period.

Disposals

There were no disposals during the period.

Investments

| Property | Location | No. of apts | Property type | Transfer of ownership | Construction start | Completion year | Estimated investment, SEKm |
|------------------|-----------|-------------|-------------------|-----------------------|--------------------|-----------------|----------------------------|
| Krusmyntan 1 & 2 | Tyresö | 115 | Care properties | March 2024 | | | 336 |
| Källberga | Nynäshamn | 123 | Rental apartments | Nov 2022 | 2024 | 2026 | 373 |
| Total | | 238 | | | | | 709 |



Stora Sköndal, Sköndal

Partnerships

Vårbergstoppen

Heba and Åke Sundvall Byggnads AB are running a rental property project in Vårbergstoppen through a partnership agreement. The rental property project comprising 300 apartments is distributed between two buildings. Construction of the project began in Q2 2021. Under the agreement, the parties each own 50% of the project. The total investment is estimated at about SEK 800m and will be completed in 2024 and 2025. A contract with Svenska Bostäder on the sale of these two properties was signed in February 2024. The deal was executed as a corporate transaction in which Svenska Bostäder acquires the shares and thus, indirectly, the properties. The exits are planned for September 2024 and June 2025. The deal is conditional upon approval by the board of directors of AB Svenska Bostäder, the board of directors of Stockholms Stadshus AB and the Stockholm City Council.

Framtidens Stora Sköndal

Heba and Åke Sundvall Byggnads AB are building 600 homes in Framtidens Stora Sköndal, phase 2a, through a partnership agreement. The housing project is divided among 260 rental apartments and 340 commonhold apartments. Under the agreement, the parties each own 50% of the project. The project is currently in the process of detailed development planning and the total investment is estimated at about SEK 2bn.

Skärgårdsskogen Skarpnäck

Heba and Åke Sundvall Byggnads AB are running a commonhold apartment project of approximately 100 apartments in Skärgårdsskogen Skarpnäck, through a partnership agreement. Under the agreement, the parties each own 50% of the project. The project is currently in the process of detailed development planning and the total investment is estimated at about SEK 250m.

Partnerships

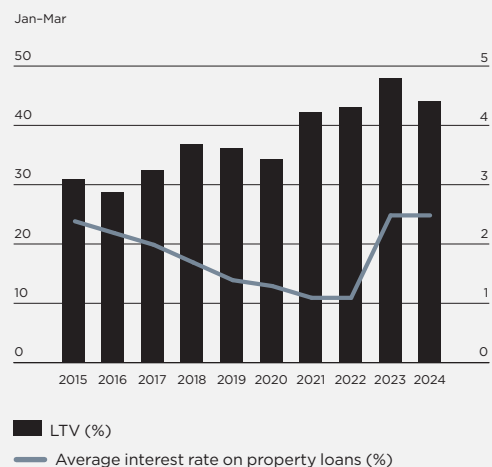
| Property | Location | No. of apts | Property type | Acquisitions | Construction start | Completion year | Estimated investment, SEKm ¹⁾ |
|-----------------|-----------|--------------|--|--------------|--------------------|-----------------|--|
| Vårbergstoppen | Vårberg | 300 | Rental apartments | Oct 2020 | Q2 2021 | 2024/2025 | 800 |
| Stora Sköndal | Sköndal | 260 340 | Rental apartments Commonhold apartments | Nov 2020 | | | 2,000 |
| Skärgårdsskogen | Skarpnäck | 100 | Commonhold apartments | Sep 2021 | | | 250 |
| Total | | 1,000 | | | | | 3,050 |

¹⁾ Heba's share is 50%.

Property valuation

The market value of the properties was SEK 13,087.5m at 31 March 2024 according to valuations performed, as compared to SEK 12,773.2m at the end of 2023. One third of the Group's properties, excluding properties currently undergoing renovation and project properties in early phases, were valued externally, half by Savills Sweden AB and half by Novier Real Estate AB. Properties undergoing renovation and project properties in early phases have been valued internally. These properties are categorised at Level 3 of the fair value hierarchy according to IFRS 13, meaning that the value is based on analysis of each property's status and rental/market situation.

LTV and average interest rate on property loans (%)



Changes in the carrying amount of investment properties:

| Investment properties (SEKm) | 2024 Jan-Mar | 2023 Jan-Mar | 2023 Jan-Dec |
|--|-----------------|-----------------|-----------------|
| Carrying amount at the beginning of the period | 12,773.2 | 15,718.2 | 15,718.2 |
| Acquisitions and new builds | 344.3 | 27.0 | 102.6 |
| Investments in existing properties | 22.8 | 58.7 | 224.8 |
| Disposals | - | - | -2,187.8 |
| Change in value | -52.8 | -268.6 | -1,084.5 |
| Carrying amount at the end of the period | 13,087.5 | 15,535.3 | 12,773.2 |

Approach

Heba has decided to perform internal valuation of two thirds of the property portfolio and external valuation of one third of the portfolio in conjunction with the end of each quarterly reporting period. In conjunction with the end of the annual reporting period, all properties owned by the Group will be externally valued apart from the exceptions mentioned above. Discounted cash flow (DCF) is the principal valuation method applied, where an estimated future net operating income is calculated over an estimation period of five to ten years that takes into account the present value of an assessed market value at the end of the estimation period. Yield requirements are individual per property depending on analysis of executed transactions and the market position of the properties. Comparison and analysis of completed real estate transactions in each sub-market were also performed. The average yield requirements were 4.2% for externally valued public buildings and 3.1% for residential property. The total valuation decrease was -0.4% (-1.7) during the period of January-March. The change in value is due mainly to low transaction volume and higher yield requirements for residential property in the Stockholm region.

Financial position

Cash and cash equivalents amounted to SEK 40.0m (37.6). Shareholders' equity amounted to SEK 6,397.4m (7,037.1), corresponding to an equity ratio of 46.6% (42.8). The LTV ratio was 44.1% (48.0) and the base LTV ratio was 43.8% (48.8).

Cash flow from operating activities after changes in working capital amounted to SEK 39.8m (80.3). Interest-bearing liabilities decreased to SEK 5,777.8m (7,458.0). Of that amount, SEK 0.0m (0.0) consists of the used portion of overdraft facilities of SEK 132.0m (140.0) and SEK 546.2m (1,525.0), which accrue interest at a variable rate. The decrease in interest-bearing liabilities is mainly driven by bond buybacks of about SEK 1,100m that mature in 2023 and 2024, as well as repayment of secured short-term debt.

Heba has a commercial paper programme with a distributable amount framework of SEK 4,000m. Heba had outstanding commercial paper of SEK 150m (403) at the end of the reporting period. Heba always has liquidity or unused credit commitments that cover outstanding commercial paper upon maturity.

At the end of the reporting period, the average interest rate was 2.52% (2.46). Unused credit commitments amount to SEK 2,032.0m (1,630.0), including the unused portion of an overdraft facility of SEK 132.0m (140.0).

There are no liabilities denominated in foreign currencies.

Pledged collateral and guarantee commitments

Collateral pledged for interest-bearing liabilities amounted to SEK 4,632.3m (4,977.1). The parent company has issued guarantee commitments for credit facilities of SEK 500m in relation to a residential project in Vårbergstoppen

Fixed interest rate structure

The fixed interest rate structure and average interest rates at 31 March 2024 are shown on the following table.

Fixed interest rate structure 31 Mar 2024

| Maturity | Volume (SEKm) | Average interest rate including forward interest rate swap (%) | Share (%) |
|--------------|----------------|--|------------|
| < 1 year | 1,546.1 | 4.36 | 27 |
| 1–2 years | 320.0 | 5.44 | 6 |
| 2–3 years | 200.0 | 1.07 | 3 |
| 3–4 years | 750.0 | 1.76 | 13 |
| 4–5 years | 1,050.0 | 2.22 | 18 |
| 5–6 years | 880.0 | 1.60 | 15 |
| 6–7 years | 100.0 | 1.29 | 2 |
| 7–8 years | 931.7 | 2.20 | 16 |
| 8–9 years | – | – | – |
| 9–10 years | – | – | – |
| Total | 5,777.8 | 2.76 | 100 |

The table shows all agreed rates for the respective maturities via loans and interest rate derivatives. The table includes interest rate derivatives with future start dates and the average interest rate may thus differ from the rate Heba is currently paying. The average rate for period 1 includes the credit margin for all variable-rate loans.

In order to interest-rate hedge variable rate interest-bearing liabilities, Heba contracted interest rate swaps totalling SEK 3,950.0m (4,550.0) at the end of the reporting period, which mature between 2024 and 2031, of which SEK 550m are swap futures with start dates in 2024 and 2025.

Interest rate derivatives are recognised at fair value at each quarterly reporting period and the change is recognised in the statement of comprehensive income. As at 31 March, the fair value of the derivatives was SEK 114.2m (194.9).

All interest rate derivatives are measured based on quoted prices in official markets or according to generally accepted calculation methods. The derivatives are classified at Level 2 according to IFRS 13. A netting provision is found in the ISDA Master Agreement that provides the right to set off receivables against payables to the same counterparty. Heba has determined that there are no material differences between the fair value and the carrying amount of financial instruments apart from interest-bearing liabilities, where fair value exceeds the carrying amount by SEK 61.6 million.

Cash conversion cycle structure

The cash conversion cycle structure for Heba's property loans as at 31 March 2024 is shown on the following table.

Cash conversion cycle structure 31 Mar 2024

| Maturity | Credit agreement (SEKm) | Used (SEKm) |
|----------------------------|-------------------------|----------------|
| Commercial paper programme | 4,000.0 | 150.0 |
| < 1 year | 1,100.0 | 768.0 |
| 1–2 years | 2,185.0 | 1,685.0 |
| 2–3 years | 1,610.0 | 410.0 |
| 3–4 years | – | – |
| 4–5 years | 440.0 | 440.0 |
| 5–6 years | 959.3 | 959.3 |
| 6–7 years | 500.0 | 500.0 |
| 7–8 years | 681.7 | 681.7 |
| 8–9 years | 183.8 | 183.8 |
| 9–10 years | – | 0.0 |
| Total | 11,659.8 | 5,777.8 |

The average cash conversion cycle of the loan portfolio, including loan commitments, was 3.8 years (3.9) and the average fixed interest duration was 3.8 years (3.0).

Rating

Heba was given a long-term issuer credit rating of BBB, Stable Outlook, by Nordic Credit Rating in Q1 2024.

MTN programme for issuance of notes and green framework

Heba established an MTN (Medium Term Notes) programme in January 2021 with an amount framework of SEK 2,000m and simultaneously launched a green financing framework. In January 2022, Heba expanded the existing MTN programme to a total amount framework of SEK 5,000m. Under the MTN programme, Heba has the option to issue notes on the capital market and the green and sustainability-linked financing framework also gives Heba the option to issue green bonds and commercial paper.

Lease liability

Heba's ground lease agreements are the most important lease agreements where Heba is the lessee. There are also a few leases of minor value that refer primarily to office equipment. Recognised right-of-use assets have been measured at the same value as the recognised lease liability upon transition to the new lease standard. The lease liability for ground leases amounted to SEK 127.4 million at 31 March 2024. The amount was calculated at an average marginal interest rate of 3%. The cost of ground lease payments is recognised as a financial expense because the ground lease agreements are perpetual and thus the entire payment consists of interest only because there is no amortisation of the lease liability. The cost in legal entities is treated as ground lease payments and is included in NOI.



All of Rådsbacken is now in mint condition

Heba's Rådsbacken 12 property in Huddinge comprises 385 rental apartments distributed among ten buildings. The buildings have been renovated in stages over a period of five years. Tenants moved into the last building in March 2024. Only 98 apartments remain to be renovated, after which the entire property holding will have been upgraded to modern standards.

[Read more, external link](#)

Significant risks and uncertainties

Rental income

Of Heba's total rental income, 70% is derived from residential tenants. The vacancy rate is very low and rents are relatively certain and predictable. All of Heba's properties are located in the Stockholm-Mälaren Region and are in desirable locations where demand is high.

Operating costs

Heating costs are Heba's largest operating cost item. The majority of the property portfolio is connected to the district heating network. Eight properties are heated mainly with geothermal heat pumps. Heba is actively engaged in reducing energy use in the property portfolio but heating costs can vary from year to year depending on weather conditions and energy prices.

Market value

The market value of the total property portfolio varies depending on the current economy and interest rate situation. When the property yield requirement in relation to the normalised net operating income (NOI) of the valuation falls by 0.5%, the market value rises by more than SEK 2.3bn. If the property yield rises by 0.5%, the market value will fall by more than SEK 1.7bn.

Finance policy

Heba's finance policy governs how financial risks must be managed and sets limits, as well as determines which financial instruments can be used. Heba has a relatively low LTV ratio. However, the Group is exposed to risks including interest rate risk due to interest-bearing borrowings. Interest rate risk refers to the risk of adverse impact on the Group's financial performance and cash flows due to changes in the market interest

rate. How quickly a persistent change in interest levels affects consolidated net financial income depends on the fixed interest duration of borrowings. In order to limit the effect of changes in interest rates, about 73% of the total loan principal has been interest hedged for more than one year. Heba works continuously with the maturity structure of borrowings to optimise fixed interest terms and purchases of interest rate derivatives with regard to expected interest rate changes to ensure that favourable loan terms are achieved. Heba's current interest-bearing liabilities of SEK 918m comprise commercial paper of SEK 150m, bonds of SEK 92m and bank loans of SEK 676m. The company intends to redeem the bonds at maturity and refinance the remaining debt. As needed, the debt can be secured against the company's loan commitments of SEK 1.9bn.

Accounting policies

Heba complies with International Financial Reporting Standards (IFRS) adopted by the EU and interpretation of the same (IFRIC).

This interim report was prepared in accordance with IAS 34 Interim Reporting and the Swedish Annual Accounts Act. The accounting policies applied to the Group and the parent company coincide with the accounting policies applied when preparing the most recent annual report.

Heba follows ESMA Guidelines on Alternative Performance Measures of 3 July 2016 (APMs). The Guidelines cover financial performance measures that are not defined under IFRS. The principle behind APMs is that they should be used by management to assess the financial performance of the company and are thus deemed to provide valuable information to analysts and other stakeholders. Calculations of APMs are available on Heba's investor relations website, ir.hebafast.se.

Sustainability

When we talk about climate impact, we divide it into three main areas: the things we use on an ongoing basis, like energy, the waste we produce, both from our tenants and in projects, and what we put in, such as materials and produce selection, primarily in connection with new builds and renovations. In order to eventually achieve a fully climate neutral business, we are working methodically to minimise, improve and engage in advocacy. We cannot achieve climate neutrality on our own. We must work closely with suppliers, partners, tenants and other stakeholders – which is why advocacy is one of our key priorities. In addition to that we have control over, our role is to contribute to sustainable development along several parts of the chain and invite others to engage in conversation, training and exchange of skills and knowledge.

Reduction of energy use

Heba’s energy target is to reduce energy use after degree days correction by about 18% to 78 kWh/m² A_{temp} by 2028 (base year 2021). Beyond the overall target, Heba shall work towards bringing all individual properties below 99 kWh/m² A_{temp} and for all new builds to achieve 20% better energy performance than required under current Boverket building regulations (BBR). Energy use was 80 kWh/m² in Q1 2024, which is in line with the planned reduction.

EU Green and Sustainability-Linked Financing Framework

Heba launched an EU Green and Sustainability-Linked Financing Framework during the quarter. The framework was prepared in accordance with the current EU Taxonomy and the European Green Bond Standard and replaces Heba’s previous green financing framework. With this framework, Heba’s aim is to reinforce the link between financing and sustainability strategies and objectives. The framework was prepared in partnership with Handelsbanken and reviewed by Morningstar Sustainability, an independent organisation. They concluded that the framework will lead to positive environmental change, and assessed Heba’s key figures as “Very Strong” and the company’s sustainability targets as “Highly Ambitious”.

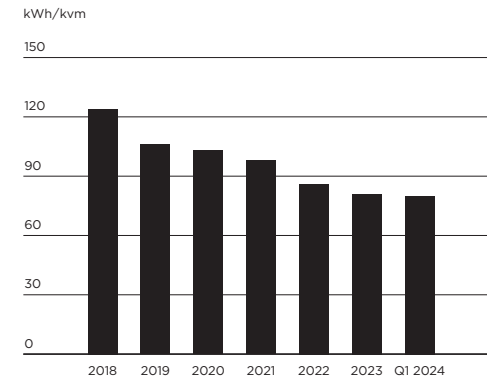
Monitoring of the Supplier Code of Conduct

Ensuring sustainable value chains is important from numerous perspectives, including environmental responsibility, climate impact, working conditions, human rights and anti-corruption. In 2022, Heba began the effort to audit our significant suppliers based on the Suppliers’ Code of Conduct prepared by the Swedish Property Federation. All of Heba’s significant suppliers will be audited based on the code by 2030.

We are convinced that in partnership with our suppliers we can make a difference in all areas of sustainability, particularly by setting the appropriate standards and working together.



Reduction of energy use, degree days corrected



The Heba share

Heba's Class B share is listed on Nasdaq Stockholm AB, Mid Cap. Information about the number of shareholders and the ten largest shareholders is available on Heba's investor relations website, ir.hebafast.se

Dividend

The board of directors is proposing a dividend of SEK 0.52 per share for the 2023 financial year. The dividend corresponded to a dividend yield of about 1.5% based on the share price as at 31 December 2023. If the annual general meeting endorses the board proposal, the dividend is expected to be paid on 2 May based on the record date of 26 April 2024.

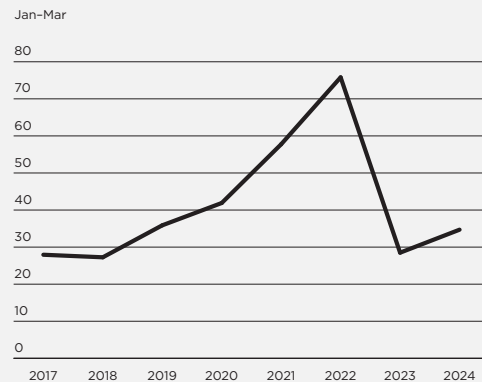
Share buyback

Heba Fastighets AB decided in September 2023 to carry out a share buyback programme. The programme was approved by the 2023 AGM and is aimed at transferring shares to participants in LTI 2021, LTI 2022 and LTI 2023. The acquisition is limited to a maximum of 30,000 Class B shares in the company and 16,000 shares have been bought back thus far.

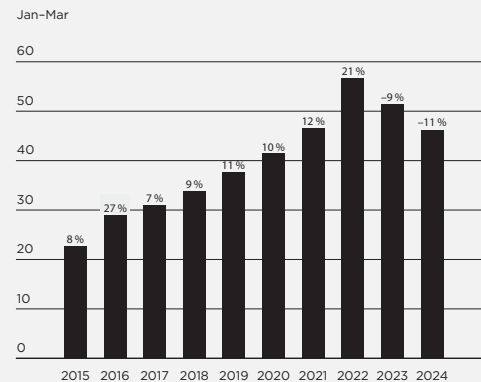
Ownership structure, 31 Mar 2024

| Name | Total number of Class A shares | Total number of Class B shares | Equity (%) | Votes (%) |
|------------------------------------|--------------------------------|--------------------------------|---------------|---------------|
| IC Industricentralen Holding AB | | 35,571,807 | 21.54 | 11.51 |
| Ericsson, Charlotte | 1,998,320 | 8,661,897 | 6.46 | 9.27 |
| Vogel, Johan | 1,866,240 | 8,570,178 | 6.32 | 8.81 |
| Vogel, Anna | 1,866,240 | 8,220,992 | 6.11 | 8.70 |
| Holmbergh, Christina | 1,848,320 | 7,819,608 | 5.86 | 8.51 |
| Eriksson, Anders | 1,828,320 | 6,621,836 | 5.12 | 8.06 |
| Härnblad, Birgitta Maria | 2,065,640 | 6,059,936 | 4.92 | 8.65 |
| Ericsson, Ulf | | 6,290,000 | 3.81 | 2.04 |
| Spiltan Aktiefond Stabil | | 4,903,671 | 2.97 | 1.59 |
| Sundström, Maria | 635,680 | 2,890,000 | 2.14 | 2.99 |
| Total, largest shareholders | 12,108,760 | 95,609,925 | 65.24 | 70.14 |
| Other shareholders | 3,871,880 | 53,529,435 | 34.76 | 29.86 |
| Total | 15,980,640 | 149,139,360 | 100.00 | 100.00 |

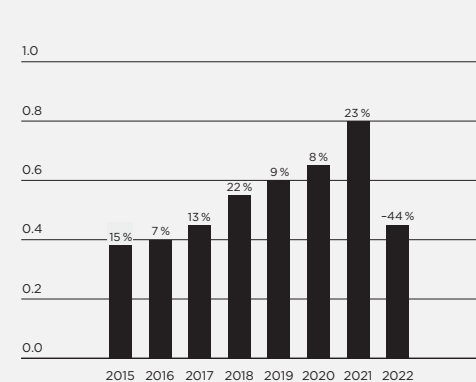
Share price performance 2017–2023 (SEK)



NAV (Net Asset Value) per share (SEK)



Dividend (SEK/share)



Parent company

Rental income in the parent company amounted to SEK 58.5m (59.9) and profit before appropriations and tax was SEK 10.7m (-14.9).

Events after the end of the reporting period

There are no events after the end of the interim period to report.

Information

The information in this interim report is such that Heba Fastighets AB is required to publish according to the Swedish Securities Market Act. The information was released for publication on this date.

Stockholm, 23 April 2024

Heba Fastighets AB (publ)

Patrik Emanuelsson
Chief Executive Officer



Current earnings capacity

Heba's current earnings capacity is presented below on a twelve-month basis as at 31 March 2024, including the entire property portfolio as of the reporting date.

Current earnings capacity is disclosed in connection with interim reports and year-end reports. It is important to understand that the presentation is a snapshot, and not a forecast for the next twelve months. Earnings capacity does not include any assessment of any changes in rentals, vacancies, costs or interest rates. Heba's consolidated statement of comprehensive income is also affected by the value trend for the property holdings and by derivatives. These factors are not considered in current earnings capacity.

Properties acquired and exited and projects completed during the period are extrapolated at an annual rate. Deductions are made for disposals of properties that have been exited, on a full-year basis. No deductions are made for properties for which sale agreements have been made but have not yet closed.

Assumptions for current earnings capacity

Rental value consists of contracted rental income for the entire property portfolio, including rent increases and index adjustments for 2024. Vacancy is assumed according to the current vacancy rate and contracted discounts. Other income is based on outcomes and extrapolated for the full year, less non-recurring items.

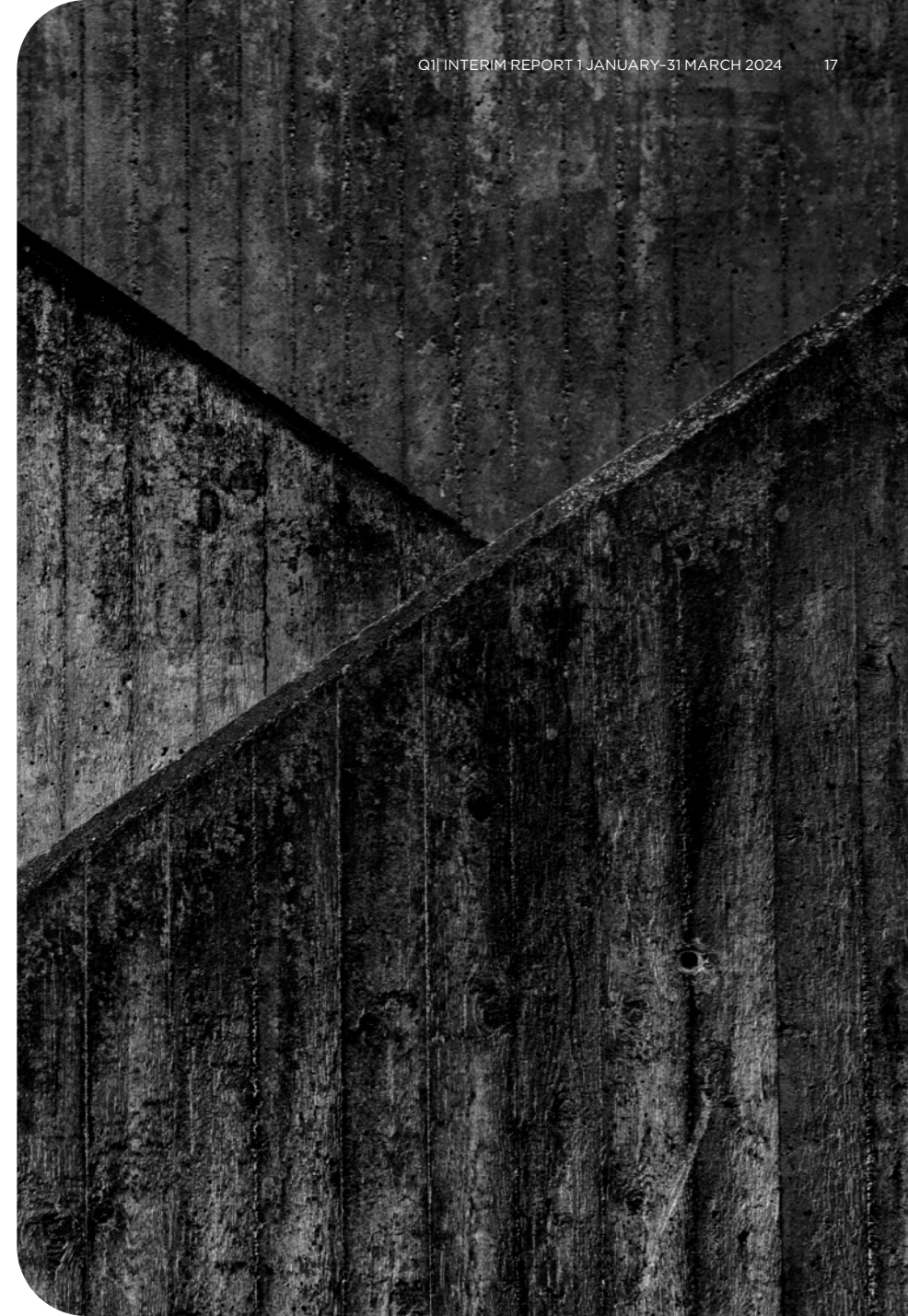
Operating and maintenance costs according to budgeted costs for a normal year. Property tax is calculated based on current assessed values for tax purposes.

Central administration and profit or loss from investments in jointly controlled entities are calculated based on outcomes and extrapolated for the full year.

Financial income is calculated based on outcomes and extrapolated for the full year, less non-recurring items. The costs of interest-bearing liabilities were based on the average interest level for the Group, including the effect of derivative instruments. Ground rent is calculated based on current ground leases.

| SEKm | 31 March 2024 |
|---|---------------|
| Rental value | 562 |
| Vacancy, discounts and other income | 1 |
| Rental income | 563 |
| Operating costs | -147 |
| Maintenance costs | -3 |
| Property tax | -5 |
| Net operating income (NOI) | 408 |
| Central administration | -39 |
| Profit or loss from investments in jointly controlled entities, current ¹⁾ | -3 |
| Net financial income (- expenses) | -130 |
| Income from property management | 236 |

¹⁾ This does not include commonhold apartment income and other items affecting profit or loss per disposals within investments in jointly controlled entities.



Consolidated statement of comprehensive income

| SEKm | 2024 Jan–Mar | 2023 Jan–Mar | 2023/2024 Apr–Mar | 2023 Jan–Dec |
|--|-----------------|-----------------|----------------------|-----------------|
| Rental income | 135.9 | 142.5 | 559.0 | 565.7 |
| Property costs | | | | |
| Operating costs | -40.1 | -45.0 | -149.2 | -154.0 |
| Maintenance costs | -0.6 | -1.0 | -2.9 | -3.4 |
| Property tax | -1.4 | -1.7 | -5.7 | -6.1 |
| Net operating income (NOI) | 93.8 | 94.8 | 401.1 | 402.1 |
| Central administration | -10.7 | -9.2 | -38.0 | -36.5 |
| Profit or loss from investments in jointly controlled entities | -40.5 | 27.1 | -31.7 | 35.9 |
| Financial income | 8.0 | 7.3 | 35.1 | 34.3 |
| Interest expenses | -35.0 | -45.1 | -166.9 | -177.0 |
| Interest expenses, leases | -0.9 | -1.2 | -3.9 | -4.1 |
| Income from property management including changes in value in jointly controlled entities | 14.6 | 73.7 | 195.7 | 254.7 |
| <i>Of which income from property management ¹⁾</i> | 54.6 | 73.7 | 251.6 | 270.7 |
| Impairments of financial assets | -9.0 | - | -19.6 | -10.6 |
| Gain or loss from disposals of property | -0.1 | - | -75.5 | -75.4 |
| Change in value, investment properties | -52.8 | -268.6 | -868.7 | -1,084.5 |
| Change in value, interest rate derivatives | 14.8 | -32.9 | -80.7 | -128.3 |
| Profit or loss before tax | -32.5 | -227.8 | -848.8 | -1,044.1 |
| Current tax | -0.1 | - | 0.2 | 0.3 |
| Deferred tax | -7.5 | 40.4 | 283.5 | 331.4 |
| Profit or loss for the period | -40.1 | -187.4 | -565.0 | 331.8 |
| Other comprehensive income | - | - | - | - |
| Comprehensive income for the period | -40.1 | -187.4 | -565.0 | -712.3 |
| Per share data | | | | |
| Profit or loss after tax, SEK ²⁾ | -0.24 | -1.14 | -3.42 | -4.31 |
| Dividend (2024 proposal), SEK | | 0.45 | | 0.52 |
| Total dividend (2024 proposal), SEK 000s | | 74,304 | | 85,854 |

¹⁾ Income from property management does not include changes in value attributable to jointly controlled entities.

²⁾ There is no dilutive effect as there are no potential ordinary shares. There are no non-controlling interests.

Condensed consolidated statement of financial position

| SEKm | 2024 31 Mar | 2023 31 Mar | 2023 31 Dec |
|--|-----------------|-----------------|-----------------|
| ASSETS | | | |
| Intangible assets | 5.1 | 6.1 | 5.3 |
| Investment properties | 13,087.5 | 15,535.3 | 12,773.2 |
| Right-of-use assets | 127.4 | 156.7 | 126.3 |
| Property, plant and equipment | 6.8 | 6.5 | 7.5 |
| Investments in jointly controlled entities | 0.4 | 28.1 | 14.3 |
| Financial non-current assets | 310.7 | 417.5 | 307.3 |
| Other non-current securities holdings | 9.1 | 25.2 | 18.1 |
| Interest rate derivatives | 114.2 | 194.9 | 99.5 |
| Current assets | 40.2 | 41.5 | 26.4 |
| Cash and cash equivalents | 40.0 | 37.6 | 247.2 |
| Total assets | 13,741.5 | 16,449.5 | 13,625.0 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 6,397.4 | 7,037.1 | 6,437.5 |
| Non-current interest-bearing liabilities | 4,859.9 | 5,253.0 | 4,916.5 |
| Deferred tax liabilities | 1,333.8 | 1,669.2 | 1,326.2 |
| Lease liability | 127.4 | 156.7 | 126.3 |
| Tax liabilities | 0.2 | - | - |
| Current interest-bearing liabilities | 918.0 | 2,205.0 | 712.0 |
| Other current liabilities | 104.9 | 128.5 | 106.6 |
| Total liabilities | 7,344.1 | 9,412.4 | 7,187.6 |
| Total equity and liabilities | 13,741.5 | 16,449.5 | 13,625.0 |

Consolidates statement of changes in equity

| SEKm | Share capital | Other capital contributions | Retained earnings | Total equity attributable to shareholders in the parent |
|-------------------------------------|---------------|-----------------------------|-------------------|---|
| Opening balance, 1 Jan 2023 | 34.4 | 6.9 | 7,183.2 | 7,224.5 |
| Comprehensive income for the period | | | -187.4 | -187.4 |
| Closing balance, 31 Mar 2023 | 34.4 | 6.9 | 6,995.8 | 7,037.1 |
| Opening balance, 1 April 2023 | 34.4 | 6.9 | 6,995.8 | 7,037.1 |
| Comprehensive income for the period | | | -524.9 | -524.9 |
| <i>Transactions with owners</i> | | | | |
| Share buyback | | | -0.4 | -0.4 |
| Dividend | | | -74.3 | -74.3 |
| Closing balance, 31 Dec 2023 | 34.4 | 6.9 | 6,396.2 | 6,437.5 |
| Opening balance, 1 Jan 2024 | 34.4 | 6.9 | 6,396.2 | 6,437.5 |
| Comprehensive income for the period | | | -40.1 | -40.1 |
| Closing balance, 31 Mar 2024 | 34.4 | 6.9 | 6,356.1 | 6,397.4 |

Condensed consolidated cash flow statement

| SEKm | 2024 Jan-Mar | 2023 Jan-Mar | 2023 Jan-Dec |
|--|-----------------|-----------------|-----------------|
| OPERATING ACTIVITIES | | | |
| Profit or loss before tax | -32.5 | -227.8 | -1,044.1 |
| <i>Adjustment for non-cash items</i> | | | |
| Less share of profit or loss in jointly controlled entities | 40.5 | -27.1 | -35.9 |
| Amortisation, depreciation and impairments of assets | 9.8 | 0.8 | -27.0 |
| Valuation uplifts, investment properties | 52.8 | 268.6 | 1,084.5 |
| Change in value of derivative instruments | -14.8 | 32.9 | 128.3 |
| Other profit and loss items not affecting liquidity | -5.8 | -6.7 | 49.7 |
| Tax paid | -0.1 | - | 0.3 |
| Cash flow from operating activities before changes in working capital | 49.9 | 40.7 | 209.9 |
| Change in working capital | -10.5 | 39.6 | 25.5 |
| Cash flow from operating activities | 39.8 | 80.3 | 235.4 |
| INVESTING ACTIVITIES | | | |
| Investments in investment properties | -367.0 | -85.8 | -327.4 |
| Investments in financial assets | - | - | -3.5 |
| Other investments | 0.1 | -0.6 | -3.8 |
| Investments in associates | - | - | -16.1 |
| Dividends received from associates | 7.7 | 20.0 | 58.0 |
| Change in non-current receivables | -38.0 | -1.0 | 119.5 |
| Sales of investment properties | 0.9 | - | 2,062.6 |
| Disposals of other non-current assets | - | 0.9 | 2.8 |
| Cash flow from (-used in) investing activities | -396.4 | -66.4 | 1,892.2 |
| FINANCING ACTIVITIES | | | |
| Borrowings | 310.0 | 560.0 | 1,409.0 |
| Repayment of loans | -160.6 | -637.0 | -3,315.6 |
| Share buyback | - | - | -0.4 |
| Dividend paid | - | - | -74.3 |
| Cash flow from (-used in) financing activities | 149.4 | -77.0 | -1,981.2 |
| Cash flow for the period | -207.2 | -63.1 | 146.4 |
| Cash and cash equivalents at the beginning of the period | 247.2 | 100.8 | 100.8 |
| Cash and cash equivalents at the end of the period | 40.0 | 37.6 | 247.2 |

Segment reporting, Group

| January–March 2024 SEKm | Central city | Stockholm Immediate suburbs | Northwest | Northeast | Southwest | Southeast | Group |
|--|--------------|--------------------------------|------------|-------------|-------------|------------|-------------|
| Rental income | 14.4 | 47.7 | 8.8 | 39.1 | 24.5 | 1.3 | 135.9 |
| Property costs | -4.8 | -13.4 | -2.7 | -13.4 | -7.6 | -0.1 | -42.0 |
| Net operating income (NOI) | 9.6 | 34.3 | 6.1 | 25.7 | 16.9 | 1.2 | 93.9 |
| Investment properties, carrying amount | 1,742.2 | 3,695.7 | 795.4 | 4,219.2 | 2,216.3 | 418.7 | 13,087.5 |

| January–March 2023 SEKm | Central city | Stockholm Immediate suburbs | Northwest | Northeast | Southwest | Southeast | Group |
|--|--------------|--------------------------------|------------|-------------|-------------|------------|-------------|
| Rental income | 14.0 | 48.1 | 4.2 | 21.4 | 46.8 | 8.0 | 142.5 |
| Property costs | -4.2 | -19.1 | -1.5 | -7.3 | -13.1 | -2.5 | -47.7 |
| Net operating income (NOI) | 9.8 | 29.0 | 2.7 | 14.1 | 33.7 | 5.5 | 94.8 |
| Investment properties, carrying amount | 1,903.4 | 5,386.2 | 985.9 | 4,580.9 | 2,253.5 | 425.4 | 15,535.3 |

Consolidated net operating income (NOI) as above coincides with recognised NOI in the statement of comprehensive income. The difference between NOI of SEK 93.8m (94.8) and the loss before tax of SEK -32.5m (-227.8) consists of: central administration, SEK -10.7m (-9.2); interest expenses, leasing, SEK -0.9m (-1.2); net financial expense, SEK -27m (-37.8); profit (-loss) from investments in associates, SEK -40.5m (27.1); loss from disposals of property, SEK -0.1m (-); and change in value, SEK -38.0m (-301.5).

Heba's business includes management of a homogeneous property portfolio. No material differences in terms of risks and opportunities are deemed to exist. The Group's internal reporting system is structured to track geographical areas. Segment reporting as above is consistent with internal reporting to management.

From 1 January 2022, the area segments were adjusted in terms of name and property division. The adjustment was made to reflect the fact that Heba now owns properties outside Stockholm and its immediate suburbs. Comparison figures for quarters in previous years have also been restated.

The distribution per property category for January–March 2024 is as follows:

| SEKm | Residential properties | Public buildings | Group |
|--|---------------------------|---------------------|-------------|
| Rental income | 105.3 | 30.5 | 135.9 |
| Property costs | -36.1 | -5.9 | -42.0 |
| Net operating income (NOI) | 69.2 | 24.6 | 93.8 |
| Investment properties, carrying amount | 10,347.2 | 2,740.2 | 13,087.5 |

Parent company income statement

| SEKm | 2024 Jan–Mar | 2023 Jan–Mar | 2023 Jan–Dec |
|--|-----------------|-----------------|-----------------|
| Rental income | 58.5 | 59.9 | 245.0 |
| Property costs | | | |
| Operating costs | -24.1 | -25.7 | -94.7 |
| Maintenance costs | -0.7 | -1.3 | -4.5 |
| Property tax | -0.9 | -1.0 | -3.9 |
| Ground lease payments | -0.6 | -0.6 | -2.4 |
| Net operating income (NOI) | 32.2 | 31.3 | 139.5 |
| Depreciation of properties | -6.5 | -6.6 | -27.0 |
| Gross profit | 25.7 | 24.7 | 112.2 |
| Central administration | -10.7 | -9.2 | -36.2 |
| Gain or loss from disposals of property | - | - | -31.9 |
| Profit or loss from investments in Group companies | -29.0 | - | 693.5 |
| Financial income | 21.0 | 26.5 | 107.2 |
| Interest expenses | -11.0 | -24.1 | -80.7 |
| Change in value of derivative instruments | 14.8 | -32.9 | -128.3 |
| Profit or loss after net financial income or expenses | 10.7 | -14.9 | 636.2 |
| Appropriations | - | - | -50.3 |
| Current tax | - | - | - |
| Deferred tax | -9.5 | 3.1 | 33.4 |
| Profit or loss for the period | 1.3 | -11.8 | 619.3 |

Condensed parent company balance sheet

| SEKm | 2024 31 Mar | 2023 31 Mar | 2023 31 Dec |
|-------------------------------------|----------------|----------------|----------------|
| ASSETS | | | |
| Intangible assets | 5.1 | 6.1 | 5.3 |
| Property, plant and equipment | 2,387.1 | 2,557.2 | 2,385.5 |
| Financial non-current assets | 3,090.3 | 4,052.9 | 3,003.1 |
| Derivative instruments | 114.2 | 194.9 | 99.5 |
| Current receivables | 770.5 | 20.4 | 791.9 |
| Cash and cash equivalents | 39.3 | 37.0 | 246.5 |
| Total assets | 6,406.6 | 6,868.5 | 6,531.7 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 2,170.4 | 1,612.7 | 2,169.2 |
| Untaxed reserves | 2.7 | 1.8 | 2.7 |
| Provisions | 213.9 | 234.8 | 204.4 |
| Non-current liabilities | 3,508.9 | 2,990.5 | 3,497.1 |
| Current liabilities | 510.7 | 2,028.7 | 658.4 |
| Total liabilities | 4,236.2 | 5,255.8 | 4,362.5 |
| Total equity and liabilities | 6,406.6 | 6,868.5 | 6,531.7 |

Key figures, Group

| | 2024 Jan–Mar | 2023 Jan–Mar | 2023 Jan–Dec | 2022 Jan–Mar | 2021 Jan–Mar | 2020 Jan–Mar |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Property-related key figures | | | | | | |
| Lettable time-weighted area, 000s m ² | 258 | 302 | 285 | 267 | 254 | 241 |
| Property yield, % ¹⁾ | 2.9 | 2.5 | 3.2 | 2.1 | 2.3 | 2.4 |
| Rental income per m ² , SEK | 2,115 | 1,890 | 1,987 | 1,752 | 1,679 | 1,594 |
| Property costs per m ² , SEK | 655 | 633 | 574 | 601 | 572 | 542 |
| Carrying amount per m ² , SEK | 50,601 | 51,279 | 50,068 | 55,232 | 47,906 | 46,560 |
| Financial key figures | | | | | | |
| Cash flow, SEKm ²⁾ | 39.8 | 80.3 | 235.4 | 30.5 | 41.4 | 61.3 |
| Investments, SEKm | 367.0 | 86.3 | 327.4 | 118.4 | 121.4 | 191.2 |
| NOI margin, % ^{3) 19)} | 69.1 | 66.5 | 71.1 | 65.7 | 65.9 | 66.0 |
| Property management margin, % ^{4) 19)} | 40.2 | 51.7 | 47.9 | 47.7 | 45.6 | 44.4 |
| Interest coverage ratio, multiple ^{5) 19)} | 2.6 | 2.6 | 2.5 | 4.6 | 4.3 | 4.6 |
| Average interest rate for property loans, % ^{6) 19)} | 2.5 | 2.5 | 2.2 | 1.1 | 1.1 | 1.3 |
| Debt/equity ratio, multiple ^{7) 19)} | 0.9 | 1.1 | 0.9 | 0.8 | 0.8 | 0.6 |
| LTV, % ^{8) 19)} | 44.1 | 48.0 | 44.1 | 43.0 | 42.3 | 34.3 |
| Net LTV, % ^{9) 19)} | 43.8 | 47.8 | 42.1 | 40.0 | 40.7 | 34.3 |
| Equity ratio, % ^{10) 19)} | 46.6 | 42.8 | 47.2 | 47.7 | 47.4 | 51.9 |
| Return on equity, % ^{11) 19)} | -2.5 | -10.5 | -10.4 | 10.5 | 6.9 | 3.5 |
| Return on total assets, % ^{12) 19)} | 0.1 | -4.4 | -5.7 | 6.9 | 4.5 | 2.8 |
| Per share data | | | | | | |
| Profit or loss after tax, SEK ¹³⁾ | -0.24 | -1.14 | -4.31 | 1.21 | 0.64 | 0.29 |
| Cash flow, SEK ^{14) 19)} | 0.24 | 0.49 | 1.43 | 0.19 | 0.25 | 0.37 |
| Shareholders' equity, SEK ^{15) 19)} | 38.94 | 42.62 | 38.99 | 46.59 | 37.74 | 33.64 |
| NAV, SEK ^{16) 19)} | 46.13 | 51.55 | 46.42 | 56.61 | 46.60 | 41.44 |
| Share price, SEK ¹⁷⁾ | 34.70 | 28.50 | 35.45 | 75.80 | 57.75 | 41.90 |
| Carrying amount, properties, SEK ^{18) 19)} | 79.27 | 94.09 | 77.36 | 90.11 | 74.02 | 62.79 |
| Shares outstanding at the end of the period, 000s | 165,104 | 165,120 | 165,104 | 165,120 | 165,120 | 165,120 |
| Average shares outstanding, 000s | 165,104 | 165,120 | 165,117 | 165,120 | 165,120 | 165,120 |

Definitions

- 1) Net operating income in relation to the carrying amount of properties at the end of the period.
- 2) Income from property management less tax paid, adjusted for net interest paid and non-cash items and after changes in working capital.
- 3) NOI in relation to rental income.
- 4) Income from property management in relation to rental income.
- 5) Income from property management plus interest expenses in relation to interest expenses.
- 6) Average interest rate for property loans on the reporting date.
- 7) Interest-bearing liabilities in relation to visible equity at the end of the period.
- 8) Interest-bearing liabilities in relation to the carrying amount of properties at the end of the period.
- 9) Interest-bearing liabilities and declared dividend less cash and cash equivalents in relation to the carrying amount of properties at the end of the period.
- 10) Visible equity in relation to total assets at the end of the period.
- 11) Profit after tax in relation to average visible equity.
- 12) Profit or loss before tax excluding items affecting comparability plus interest expenses in relation to average total assets.
- 13) Profit or loss for the period in relation to average shares outstanding during the period.
- 14) Cash flow from operating activities in relation to average shares outstanding during the period.
- 15) Shareholders' equity in relation to shares outstanding at the end of the period.
- 16) Shareholders' equity plus interest rate derivatives and deferred tax liabilities in relation to shares outstanding at the end of the period.
- 17) Share price at the end of the period
- 18) Carrying amount of properties in relation to shares outstanding at the end of the period
- 19) Calculations of APMs are available on Heba's website, hebafast.se.

Auditor's review report

Heba Fastighets AB (publ) CRN 556057-3981

We have reviewed the condensed interim financial information for Heba Fastighets AB (publ) as of 31 March 2024 and the three-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance

that we would become aware of all significant matters that might be identified in an audit. The conclusion expressed on the basis of a review therefore does not provide the level of assurance of a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report was not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company

Stockholm, 23 April 2024

Ernst & Young AB

Fredric Hävrén

Authorised Public Accountant

Reporting calendar

APR
24
2024

Annual General Meeting

JUL
10
2024

Interim Report January–June 2024

OCT
23
2024

Interim Report January–September 2024

FEB
2025

Year-end Report 2024

MAR
2025

Annual Report 2024

Heba is a long-term and experienced property owner that develops, owns and manages residential properties and public buildings centrally located in the Stockholm–Mälaren Region. On the strength of our expertise and commitment, we offer safe, secure and sustainable homes with high amenity standards for people to enjoy living in throughout various phases of their lives. We create value for shareholders and society through satisfied tenants, safer and more attractive communities and trustful partnerships.

The Heba Group comprises 58 properties, including 12 public buildings. The properties are comprised of 3,148 residential units and 339 non-residential units. Heba was founded in 1952 and has been listed on Nasdaq Stockholm AB Nordic Mid Cap since 1994.
hebafast.se

Contact persons:

Patrik Emanuelsson, CEO

+46 8-522 547 50, patrik.emmanuelsson@hebafast.se

Hanna Franzén, CFO

+46 8-442 44 59, hanna.franzen@hebafast.se

